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TAGS: [ECON](#) [AMGT](#) [APER](#) [GH](#)

SUBJECT: NECESSITY FOR RETAINING ECONOMIC POSITION

REF: BRIDGEWATER/THOMAS-GREENFIELD 02/07/06 EMAIL

1. Post provides the following justification for retaining the "one-time fill" FO-04 Economic Section Entry Level Officer position (Position No. 20004008). This position is essential to meeting the increasing demands on this Embassy for economic analysis and reporting, investor-advocacy, support for the Millennium Challenge Account program in Ghana, support for USTR's preliminary discussions on negotiating a Free Trade Agreement with Ghana, and support for the large number of economy-focused, high-level Washington visits and dramatically increasing number of econ-related taskings specific to Ghana.

#### Case for Retaining Economic Officer Position

2. The Economic Section's (ECON) activities have increased dramatically in response to the growing U.S.-Ghana economic engagement. ECON not only carries the heaviest reporting load in the Embassy, it also handles the most official visits. During 2005, ECON hosted approximately 170 total visitors from the 24 USG organizations listed below, and also served as control for President Carter's visit and several econ-related Codels. All of these visits required extensive ECON logistical support and well over half involved schedule planning, significant ECON participation, and follow-up reporting.

- Department of State
- Department of Treasury
- Millennium Challenge Corporation
- Office of the U.S. Trade Representative
- Trade Development Agency
- Department of Agriculture
- Overseas Private Investment Corporation
- Export Import Bank
- International Trade Commission
- Internal Revenue Service
- Federal Aviation Administration
- Transportation Security Administration
- Customs and Border Protection
- U.S. Coast Guard (port security)
- U.S. Census Bureau
- Federal Communications Administration
- National Science Foundation
- Environmental Protection Agency
- United States Institute for Peace
- Department of Labor
- Department of Commerce
- African Development Foundation
- Environmental Protection Agency
- NASA

4. In 2005, ECON's total front-channel taskers, including demarche requests, exceeded 120. We received dozens more via email. A significant number of these taskings were Post-specific, particularly action requests on the MCA, International Atomic Energy Agency, AGOA/trade, and civil aviation.

5. Ghana is becoming the gateway to West Africa and serves as a base for companies, NGO's, international organizations, and diplomatic missions. Since 2003, Ghana has qualified for the Millennium Challenge Account (MCA) and the African Growth and Opportunity Act (AGOA), the two main Administration programs designed to reduce poverty in Africa. Ghana also qualified for debt relief under the Heavily Indebted Poor Country (HIPC) program and the new G8 debt relief initiative. In addition, USTR is holding early talks with Ghana to decide whether to negotiate a Free Trade Agreement (FTA). It would be the first FTA in West Africa and would quickly become ECON's priority.

6. Ghana's recent economic expansion results in part from major investments by the U.S. private sector. Newmont Mining is currently investing \$500 million in one gold mine, and will start construction on another of equal size in 2007. ALCOA signed an MOU with the GoG to begin planning for investment of over \$2 billion by 2008. Either of these investments qualifies as the largest U.S. investment ever in Ghana. Together they will make the U.S. the largest investor in the country. U.S. exports to Ghana increased over 50% in

2004, from \$200 to \$300 million, while Ghana's exports to the U.S. increased about 80%.

17. As U.S. investment and trade has increased so have the complications and disputes. EconOffs spent an inordinate amount of time from 2003-2005 advocating on behalf of Kaiser Aluminum, Western Wireless International, and CMS Energy in their disputes with the government. Post played a key role in the resolution of these disputes, especially in the clearance of \$20 million arrears to CMS. ECON continues its heavy and increasing advocacy role on behalf of U.S. companies who frequently experience serious difficulties with the government or Ghanaian partners. In 2005, EconOffs organized Mission advocacy efforts on behalf of CMS Energy, Western Wireless, ALCOA, Newmont, Oracle, Hewlett Packard, Kosmos Energy, Amerada Hess, Coca Cola, Exxon-Mobil, Chevron, and at least a dozen other lesser-known companies.

18. For years Ghana has been the only West African point of origin for direct flights to the U.S. Although in 2004 the FAA banned the national airline from flying to the U.S., it is reassessing Ghana's civil aviation safety oversight. At the moment, one U.S. airline flies direct between Ghana and the U.S. and several others will begin U.S./Ghana service in 2006. The process to get GoG approval for these airlines and the ongoing FAA/DOT reassessment of Ghana require considerable ECON engagement. Civil aviation will remain a key responsibility of ECON's Entry Level Officer, who handles all communication and visitors related to the issue.

19. Economic Growth and Development is the number one goal of Post's MPP and we have already requested a third Economic Officer. Cutting the section to one officer would seriously undermine our current economic relationship with Ghana. The remaining officer would spend the majority of his/her time acting as a VIP coordinator and putting out fires in high profile but time-consuming areas such as civil aviation. We would lose the significant influence we currently have over IMF/World Bank macroeconomic issues, which would, in turn, reduce overall USG influence on Ghana's economic policy-making decisions. Finally, cutting the position would deprive an Entry Level Officer of an outstanding opportunity to gain real substantive experience by working on a wide range of economic issues.

#### Conclusion

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10. Ghana is a country where we are already engaged in transformational diplomacy, and it is working. Ghana has transformed from a fragile state to a regional leader in terms of democracy, stability, and economic development. Ghana's success has been in part a result of our bilateral economic engagement, which we need to expand rather than cut. Continued economic growth is fundamental to keeping Ghana on the right path. The Economic Section leads our efforts in this area for the Mission.  
BRIDGEWATER